

# 2021 Corporate Governance Statement

[www.posti.com/en/governance](http://www.posti.com/en/governance)

in



posti

# Contents

<b>Introduction</b>	<b>3</b>	President and CEO and the Leadership Team	10
Governing bodies	3	President and CEO	10
		President and CEO and the Leadership Team in 2021	10
General Meeting of the Shareholders	4	The Leadership Team	13
General Meetings in 2021	4		
		Remuneration	13
Supervisory Board	4		
Supervisory Board 2021	4	Other Corporate Governance	14
		Related Party Transactions and related governance	14
Board of Directors	5	Internal control	14
Overview	5	Risk management	14
Diversity principles	5	Internal audit	15
Responsibilities	5	Auditor	15
Board of Directors 2021	6		
Board member meeting participation in 2021	8		
Board's Committees	9		
Audit Committee	9		
Audit Committee meeting participation in 2021	9		
Personnel Committee	9		
Personnel Committee meeting participation in 2021	9		
Strategy Committee	9		
Strategy Committee meeting participation in 2021	9		

# Introduction

This statement describes the governance structures, practices and policies that Posti Group Corporation (“Posti”) applies in order to ensure the independence and integrity of decision-making as well as the appropriate controls related thereto.

Posti’s Corporate Governance Statement is prepared according to the Finnish Corporate Governance Code 2020 issued by the Securities Market Association on September 19, 2019, and in force since January 1, 2020. The Finnish Corporate Governance Code is available on the website of the Securities Market Association at [www.cgfinland.fi/en](http://www.cgfinland.fi/en).

Corporate governance at Posti is based on Finnish laws and applicable lower-level regulation, the Company’s Articles of Association and the written charters of the Supervisory Board, the Board of Directors and its Committees.

In Posti, the Finnish State exercises the shareholder’s decision-making power.

The State’s direct ownership of Posti Group Corporation is 100 percent. Posti complies with the Finnish Corporate Governance Code 2020, except recommendations 1, 2, 3 and 4 since it has only one shareholder.<sup>1</sup>

This Corporate Governance Statement has been reviewed by the Audit Committee of Posti’s Board of Directors. The Statement is published as a separate, unaudited report released in connection with the Financial Statements and the Board of Directors’ report. Posti prepares consolidated financial statements and interim reports in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU.

## Governing bodies

Posti’s governance model includes the General Meeting with the highest decision-making power, the Board of Directors, responsible for the proper organization and supervision of operations and the President and CEO, responsible for operational management. In addition, there is a Supervisory Board.

<sup>1</sup> Posti departs from the Corporate Governance Code in the following ways:

- the members of the Board of Directors, or Board member candidates, do not participate in the General Meeting of the Shareholders (Recommendation 3).

In addition, Posti departs from the Corporate Governance Code in that it does not publish on its website:

- the notice of the General Meeting and the appendices thereof (Recommendation 1),
- the date by which a shareholder must present to the Board of Directors a matter that he insists be discussed in the General Meeting (Recommendation 2),
- the archive of the documents of the General Meeting (Recommendation 4).

Compliance with the above recommendations of the Code is not relevant, since there are regular exchanges between the Board of Directors, the President and CEO and the shareholder, and thus regular and sufficient information is available for the shareholder at all times.

The agenda and notice to the General Meeting are prepared well in advance in direct communication with the shareholder in order to ensure that all relevant matters will be discussed at the General Meeting. The shareholder’s rights are also effectively protected as the minutes of the meetings and other documentation related thereto are made available to the shareholder directly.

# General Meeting of the Shareholders

Posti's highest decision-making body is the General Meeting of Shareholders. It makes decisions in matters assigned for the General Meeting in the Companies Act and the company's Articles of Association, i.e.

- adopts annual financial statements;
- decides on distribution of dividends;
- discharges members of the Supervisory Board and the Board of Directors as well as the President and CEO from liability for the financial year;
- elects members of the Supervisory Board and the Board of Directors as well as auditor, and decides on their remuneration;
- reviews the Remuneration report and makes an advisory resolution on the Remuneration policy every fourth year at minimum.

Posti's Annual General Meeting is held at least once a year, no later than by the end of June. If needed, the company may also hold Extraordinary General Meetings. Notice of the General Meeting is sent by the Board of Directors latest eight days before the meeting. Posti does not publish the notice of the General Meeting on the company's website, as previously noted.

## General meetings in 2021

Posti's Annual General Meeting 2021 was held on April 9, 2021. All 40,000,000 shares and votes were represented. The meeting adopted the 2020 Financial Statements and discharged the members of the Supervisory Board and the Board of Directors as well as the President and CEO from liability for the financial year. In line with the Board of Directors' proposal based on the company's dividend policy, the Annual General Meeting decided to distribute a dividend of EUR 31.3 million. The dividend was paid on April 14, 2021. The meeting was attended by representatives of the State of Finland, the Chair of the Board of Directors, the President and CEO, the company's other operative management, and the statutory auditor.

Posti also held an Extraordinary General Meeting on December 2, 2021. As the only agenda item of the Extraordinary General Meeting, a new member and Deputy Chair was elected to the Supervisory Board, in replacement of a member and Deputy Chair that had resigned.

# Supervisory Board

Posti's General Meeting elects members of the Supervisory Board and appoints its Chair and Deputy Chair. The Supervisory Board is composed of six to twelve members. The term of office for members of the Supervisory Board is one year and it ends at the close of the following Annual General Meeting. The Annual General Meeting 2021 re-elected the members of the previous Supervisory Board with Aki Lindén continuing as the Chair and Atte Harjanne as the Deputy Chair. Extraordinary General Meeting on December 2, 2021, elected Heli Järvinen to replace Atte Harjanne as a member and Deputy Chair of the Supervisory Board.

The Supervisory Board convenes four times a year at the maximum. All meetings are documented in serially numbered minutes.

The Supervisory Board's tasks are determined in the Articles of Association. Its task is to supervise afterwards with hindsight the company's administration which is the Board of Directors' and President and CEO's responsibility, provide the Board with guidance on matters of broad implication, and follow the operability of postal services.

## Supervisory Board in 2021

On December 31, 2021, Posti Supervisory Board was composed of the following members:

Member	Born	Education	Occupation	Attendance at meetings*
Aki Lindén, Chair.	1952	Specialist Degree in Medicine, Master of Social Sciences	Member of Parliament	4/4
Heli Järvinen, Deputy Chair**	1963	Master of Social Sciences, journalist	Member of Parliament	0/0
Sari Essayah	1967	Master of Science in Accounting, Master of Science in Economics	Member of Parliament	4/4
Eeva Kalli	1981	Master of Science (Economics), Master of Administrative Sciences	Member of Parliament	4/4
Kimmo Kiljunen	1951	Doctor of Philosophy, docent	Member of Parliament	4/4
Mia Laiho	1969	Doctor of Medicine (MD), Specialist Degree in Medicine	Member of Parliament	4/4
Rami Lehto	1973	Electric Power Technology Technician	Member of Parliament	4/4
Pia Lohikoski	1977	Master of Social Sciences	Member of Parliament	3/4
Mari Rantanen	1976	Emergency nurse	Member of Parliament	4/4
Veronica Rehn-Kivi	1956	Architect	Member of Parliament	3/4
Ari Tornainen	1956	Construction engineer	Member of Parliament	3/4
Paula Werning	1976	Nurse	Member of Parliament	3/4
Atte Harjanne, Deputy Chair**	1984	Master of Science (Technology)	Member of Parliament	4/4

\*The total number of Supervisory Board meetings in 2021 was four, one of which was held before the Annual General Meeting 2021 and three of which were held thereafter.

\*\*Extraordinary General Meeting on December 2, 2021, elected Heli Järvinen to replace Atte Harjanne as a member and Deputy Chair of the Supervisory Board.

# Board of Directors

## Overview

Posti's General Meeting elects members of the Board of Directors and appoints its Chair and Deputy Chair. The Board of Directors is composed of five to ten members. The term of office for members of the Board of Directors is one year and it ends at the close of the following Annual General Meeting. The Annual General Meeting 2021 elected ten members to the Board of Directors and nominated Sanna Suvanto-Harsaae to continue as the Chair and Per Sjärdell as the Deputy Chair.

The Government Ownership Steering Department prepares the final proposal for the Board composition and presents it to the General Meeting for decision. Posti does not publish the Board member candidates on its website as previously noted.

The Board of Directors evaluates its members' independence on an annual basis and re-evaluates it as necessary. The Board also conducts an annual self-evaluation of its operations and working methods. The purpose of this evaluation is to assess performance of the Board during the year and to identify ways for developing the Board's working practices and performance for the future.

As per a predetermined schedule, the Board convenes circa ten times a year. In addition, the

Board convenes as necessary. All meetings are documented in serially numbered minutes. The President and CEO, Chief Financial Officer, and General Counsel, as secretary to the Board of Directors, attend Board meetings on a regular basis.

## Diversity principles

In order for the Board of Directors to discharge its duties in the most effective manner and taking into account Posti's business needs, the Board must be highly qualified and sufficiently diverse to have complementing viewpoints presented in the Board. Highly important criteria are the educational and professional backgrounds of the individual candidates, as well as their local and international experience, customer understanding and proven performance as well as high ethical standards. In this manner, the Board composition in full represents a wide variety of competencies and qualifications set for a company in the public domain.

Posti's principle is also to have both female and male genders represented on the Board. In 2021, Posti's Board of Directors consisted of six female members and four male members, which fulfilled the requirement set to government-owned companies by the Council of State in its Decision in Principle given in February 2015.

## Responsibilities

The duties of Posti's Board of Directors are determined in the Companies Act and the Articles of Association as well as the Board's Charter and certain Posti policies approved by the Board of Directors. The Charter lays out the Board of Directors' key responsibilities and working principles.

Accordingly, the Board is, among other things, responsible for:

- looking after the company's administration and proper organization of its operations;
- appointing and, if necessary, dismissing the President and CEO, and resolving of his/her remuneration;
- preparing matters to be presented at the General Meeting of Shareholders and overseeing that the decisions are implemented;
- overseeing the organization of financial supervision within the company;
- affirming the company's strategy and business plans as well as risk management principles;
- adopting the annual and interim financial statements; and
- preparing and approving the Remuneration policy and annual remuneration report.



## Board of Directors in 2021

On December 31, 2021, Posti Board of Directors was composed of the following members:



### Sanna Suvanto-Harsaae

Board Chair

Board Professional  
b. 1966, B.Sc. (Business Administration)

Member of the Board since 2020  
Chair of the Personnel Committee  
Chair of the Strategy Committee  
Member of the Audit Committee

#### Employment history:

- Reckitt Benckiser Scandinavia AS (2004–2008):  
Managing Director Scandinavia
- Synoptik International Retail (2001–2004):  
Director of Marketing and Business development
- Procter & Gamble Europe (1998–2001):  
European Marketing Manager

#### Board memberships:

- Board Chair: Altia Plc, BoConcept AS,  
TCM Group Plc, Nordic Pet Care Group AS,  
Babysam AS, Isadora AB, Orthex Plc
- Board Deputy Chair: Anora Plc, Harvia Plc
- Board Member: Elopak Plc,  
Broman Group/Motonet Oy



### Per Sjödel

Board Deputy Chair

Board Professional  
b. 1972, B.Sc. (Econ.)

Member of the Board since 2018  
Member of the Strategy Committee

#### Employment history:

- Fiskars, Sweden AB (2012–2015):  
Managing Director
- Pocket Shop AB (2010–2012): CEO
- H&M (2008–2010):  
Global Marketing Director (CMO)
- GANT AB (2005–2008):  
Managing Director Gant Sweden
- ICA AB (2000–2005):  
Marketing Communications Manager
- Cerealia AB (1997–2000):  
Business Development Manager

#### Board memberships:

- Board Chair: Identity Works,  
Ark Vision Nordic, CIP Global Executive  
Search, The Rainbow Foundation
- Board Deputy Chair:  
Swedish Fashion Association
- Board Member: Swedavia, Spendrups,  
Carismar, Abury, Haypp Group,  
Springwine & Spirits AB



### Raija-Leena Hankonen-Nybom

Board Member

Board Professional  
b. 1960, M.Sc. (Econ.), APA-certificate

Member of the Board since 2020  
Chair of the Audit Committee

#### Employment history:

- KPMG Oy Ab (2001–3/2019): Lead Audit Partner
- KPMG Oy Ab (2016–2018):  
Chairman of the Board
- KPMG Oy Ab (2010–2016): CEO
- KPMG Oy Ab (2006–2010): Head of Audit,  
Member of the Group Management Team
- KPMG Oy Ab (2005–2006):  
Head of Financial Services Group
- KPMG Brazil, Sao Paulo (2003–2005):  
Transfer as an IFRS Advisor
- KPMG Oy Ab (1987–2003): Various positions in  
Audit practice corporate accountant, controller,  
financial analyst roles 1981–1987

#### Board memberships:

- Board Member and Audit Committee Chair:  
Danske Bank A/S, Metsä Board Corporation,  
Helsinki Deaconess Institute Foundation
- Supervisory Board Chair: Jalmari and Rauha  
Ahokas Medical Foundation
- Board Chair: Brigadeiro Holding Oy
- Board Member: Savonlinna Opera Festival,  
Directors' Institute Finland



### Harri Hietala

Board Member

Partner  
b. 1958, Master of Laws (LL.M.) with court training

Member of the Board since 2020  
Member of the Personnel Committee

#### Employment history:

- Labour agreements and legal services  
SOPLA (since 2020): Partner
- Ministry of Economic Affairs and Employment  
(2014–2020): Cooperation ombudsman,  
Cooperation ombudsman's office
- Labour agreements and legal services  
SOPLA (2013–2014): Partner
- Service Sector Employers PALTA (2011–2013):  
Vice Managing Director, Employment Market  
Director, general counsel
- Association of Support Service Industries  
and the Employer's Association  
TIKLI (2004–2011): Managing Director
- Employers' Association  
Alliance (1998–2003): Managing Director
- Energy Industries in Finland  
FINERGY (1997–1998): Deputy Director
- Finnish Employers' Central Association STK and  
Confederation of Finnish Industry and Employers  
(1986–1997): collaborative agreement agency in  
the collaborative agreements department
- Employers' General Team and Food Industry's  
Employers' association (1988): agent (assigned by STK)
- Positions as judge, tax agency and  
law firm partner 1980–1986

#### Board memberships:

- Board Chair: Kerava Energy Corporation, Sipoo Energy  
Corporation, Kerava Thermo Power Corporation





### **Sirpa Huuskonen**

Board Member

Vice President, people, culture and sustainability  
b. 1961, Master of Laws (LL.M) with court training

Member of the Board since 2020  
Member of the Personnel Committee

#### **Employment history:**

- Tokmanni Group (since 2021): Vice President, people, culture and sustainability and member of the executive team
- Tokmanni Group (2016–2021): HR Director and member of the executive team
- ISS Palvelut Oy (2004–2016): HR Director and member of the executive team
- Engel Palvelut Oy (2002–2004): HR manager
- Metropolitan Area Council (today HSY) (1997–2002): Administrative Manager
- Finnish Foreign Trade Law Office Ltd (1995–1997): Legal Counsel
- Union for Municipal Employees, KVL ry (today Jyty ry) (1988–1995): Labour lawyer / Negotiator for Collective Labour Agreements
- Helsinki Municipal Officer´s Union, HKVT ry (1987–1988): Organization Secretary

#### **Board memberships:**

- Board Member: Helsinki Regional Chamber of Commerce, Mäntsälän Yrityskehitys Ltd



### **Kari-Pekka Laaksonen**

Board Member

CEO  
b. 1967, M.Sc. (Eng.)

Member of the Board since 2021  
Member of the Strategy Committee

#### **Employment history:**

- Samskip Holding BV (since 2019): CEO
- Containerships plc (2012–2019): CEO
- Nokian Tyres plc (2006–2011): VP Global Sales and Logistics
- Nokian Tyres plc (2001–2005): VP Logistics and Purchasing
- Metsä Tissue Corp (1999–2001): Logistics Director (Bonn, Germany)
- Metsä Tissue Corp (1998–1999): Logistics Manger
- Metsä Serla Tissue (1995–1997): Logistics Planning Manager
- Oy Esso Ab (1993–1995): Technical Purchaser
- Valio Ltd (1992–1993): Diploma Thesis and logistics projects



### **Frank Marthaler**

Board Member

Board Professional  
b. 1964, Lic.oec. HSG

Member of the Board since 2018  
Member of the Audit Committee  
Member of the Strategy Committee

#### **Employment history:**

- Independent Board Member and Senior Advisor (since 2014)
- Swiss Post Solutions (2007–2014): CEO and Member of the Executive Management of Swiss Post
- Swiss Post (2001–2007): Director of Strategic Account Management and Director of Group Sales Committee

#### **Board memberships:**

- Board Member: Aletsch Bahnen AG, Trendcommerce Group AG, Legal Claims Holding AG



### **Minna Pajumaa**

Board Member

Government Ownership Steering Department,  
Senior Financial Counsellor  
b. 1963, M.Sc. (Econ.), CEFA

Member of the Board since 2019  
Member of the Personnel Committee  
Member of the Audit Committee

#### **Employment history:**

- Government Ownership Steering Department (since 2017): Senior Financial Counsellor
- Government Ownership Steering Department (2009–2017): Senior Financial Adviser
- HSH Norbank AG (2004–2008): Client Executive, Structured Corporate Finance
- HSH Norbank AG (2002–2004): Project Manager, Export and Project Finance
- Skandinaviska Enskilda Banken AB (1998–2002): Vice President, Export and Project Finance
- Finnish Export Credit Ltd (1996–1998): Regional Representative, Singapore Office
- Finnish Export Credit Ltd (1994–1996): Assistant Regional Representative, Hong Kong Office

#### **Board memberships:**

- Board Member: Gasum Ltd



**Hanna Vuorela**  
Board Member

Vice President, Strategic Development  
b. 1973, M.Sc. (Eng.), (B.Soc.Sc.)

Member of the Board since 2020  
Member of the Strategy Committee

**Employment history:**

- Uponor Corporation (since 2015):  
Vice President, Strategic Development
- Microsoft Corporation (2014–2015):  
Director, Strategy, Microsoft Devices Group
- Nokia Corporation (2010–2014):  
Director, Strategy, Corporate Development
- Nokia Corporation (2009–2010):  
Director, Operational Development,  
Devices Quality & Delivery
- Nokia Corporation (2006–2007):  
Senior Manager; Strategy and Business  
Analysis, Mobile Devices Business Unit,  
Enterprise Solutions
- FUSIONONE Inc., San Jose, CA, USA  
(1999–2005): Director, Business Development
- McKinsey & Company (1998–1999): Consultant
- Nokia Mobile Phones (1997–1998):  
Channel Logistics Analyst



**Satu Ollikainen**  
Employee Representative

Posti Group National Chief Shop Steward  
b. 1970

Member of the Board since 2020

**Employment history:**

- Posti Group Corporation (since 2018):  
National Chief Shop Steward
- Posti Group Corporation (2007–2017):  
Regional Chief Shop Steward
- Posti Group Corporation (2004–2007):  
Regional Shop Steward
- Posti Group Corporation (1998–2007):  
Postal worker

**Board memberships:**

- Board Chair: Finnish Post and Logistics Union  
PAU, 1. Vice Chairman
- Board Deputy Chair: Posti Group Corporation  
Personnel Fund
- Board Member: Posti Group Corporation  
Occupational Well-being Foundation

**Board member meeting  
participation in 2021**

Member	Attendance at Board meetings*
Suvanto-Harsaae Sanna (Chair)	12 / 12
Sjödell Per (Deputy Chair)	12 / 12
Hankonen-Nybom Raija-Leena	12 / 12
Hietala Harri	12 / 12
Huuskonen Sirpa	12 / 12
Laaksonen Kari-Pekka (as from 9.4.2021)	9 / 9
Marthaler Frank	12 / 12
Pajumaa Minna	11 / 12
Vuorela Hanna	12 / 12
Ollikainen Satu	11 / 12

\*In 2021, the number of meetings held by the Board of Directors was twelve, three of which were held before the Annual General Meeting 2021 and nine thereafter.

All Board members other than Minna Pajumaa, who has an employment relationship with the Ownership Steering Department of the Prime Minister's Office, are independent from the shareholders, and based on the Board of Directors' overall evaluation, all Board members are independent from the company except Satu Ollikainen, who has an employment relationship with a Group company.

The average attendance rate at Board of Directors meetings in 2021 was 98%.



# Board's Committees

The Board appointed in its constitutive meeting on April 9, 2021, three permanent Committees to assist in its work: the Audit Committee, the Personnel Committee and the Strategy Committee. Tasks of the Committees are laid out in their respective written Charters. The Committees prepare matters entrusted to them for the Board of Directors' decision. The Chair of the Committee convenes the Committee as required. He/she also reports to the Board on the Committee's work.

## Audit Committee

The Board of Directors elects 3–4 members to the Audit Committee. The members shall have the qualifications necessary to perform the responsibilities assumed by the Committee, which include, among others:

- overseeing and reviewing of the company's financial reporting system;
- monitoring and reviewing of the effectiveness of the internal control systems, internal audit and risk management policies;
- monitoring and reviewing of the related party transactions;
- overseeing of the statutory audit as well as considering the audit report, possible audit minutes as well as the additional Audit Committee report prepared by the auditor;
- preparing a proposal for the appointment of the auditor;
- assessing the independence of the auditor and ensuring oversight of the additional services offered by the auditor; and
- steering and monitoring activities of the Chief Compliance Officer and the Internal Auditor.

In its constitutive meeting on April 9, 2021, the Board of Directors resolved that the members of the Audit Committee are: Raija-Leena Hankonen-Nybom (Chair), Frank Marthaler, Minna Pajumaa and Sanna Suvanto-Harsaae.

## Audit Committee meeting participation in 2021

Member	Attendance at Audit Committee meetings*
Hankonen-Nybom Raija-Leena (Chair)	6 / 6
Marthaler Frank	5 / 6
Pajumaa Minna	6 / 6
Suvanto-Harsaae Sanna	6 / 6

\*In 2021, the number of meetings held by the Audit Committee was six, one of which were held before the Annual General Meeting 2021 and five thereafter.

The average attendance rate at Audit Committee meetings in 2021 was 96%.

## Personnel Committee

The Board of Directors elects 3–4 members to the Personnel Committee. The members shall have the qualifications necessary to perform the responsibilities assumed by the Committee, which include, among others:

- preparation of decisions concerning the appointments and remuneration of the President and CEO and the executive management;
- preparation of the outlines of the group's remuneration, bonus and incentive schemes, and ensuring that they are fair and competitive;

- preparation of the Remuneration policy and Remuneration report;
- participation in succession planning and monitoring the development of
- key potentials; and
- monitoring employee satisfaction, occupational health and safety and related company activities.

In its constitutive meeting on April 9, 2021, the Board of Directors decided that the members of the Personnel Committee are: Sanna Suvanto-Harsaae (Chair), Harri Hietala, Sirpa Huuskonen and Minna Pajumaa.

## Personnel Committee meeting participation in 2021

Member	Attendance at Personnel Committee meetings*
Suvanto-Harsaae Sanna (Chair)	4 / 4
Hietala Harri	4 / 4
Huuskonen Sirpa	4 / 4
Pajumaa Minna	4 / 4

\*In 2021, the number of meetings held by the Personnel Committee was four, one of which were held before the Annual General Meeting 2021 and three thereafter.

The attendance rate at Personnel Committee meetings in 2021 was 100%.

## Strategy Committee

The Board of Directors elects 3–5 members to the Strategy Committee. The members shall have the qualifications necessary to perform the responsibilities assumed by the Committee. The Strategy Committee

is to consider and prepare the company's strategic decisions, which are, for example:

- acquisitions or divestments requiring Board's approval or being otherwise strategically significant;
- other significant strategic transactions or measures, including significant changes in the business portfolio, being subject to Board approval;
- regular reviews of the company's strategy to the Board; and
- proposals for significant amendments to the company's strategy or its implementation.

In its constitutive meeting on April 9, 2021, the Board of Directors decided that the members of the Strategy Committee are: Sanna Suvanto-Harsaae (Chair), Kari-Pekka Laaksonen, Frank Marthaler, Per Sjäodell and Hanna Vuorela.

## Strategy Committee meeting participation in 2021

Member	Attendance at Strategy Committee meetings*
Suvanto-Harsaae Sanna (Chair)	8 / 8
Laaksonen Kari-Pekka (as from 9.4.2021)	6 / 6
Marthaler Frank	8 / 8
Sjäodell Per	8 / 8
Vuorela Hanna	8 / 8

\*The Strategy Committee was appointed by the Board in its constitutive meeting on April 9 2021, and the number of the meetings held in 2021 was eight, four of which were held before the Annual General Meeting 2021 and four thereafter.

The attendance rate at Strategy Committee meetings in 2021 was 100%.

# President and CEO and the Leadership Team

## President and CEO

The President and CEO is responsible for the Group's operative management in accordance with the Companies Act and the instructions and directions issued by the Board of Directors. The President and CEO is appointed and, if necessary, dismissed by the Board of Directors, which also determines the terms and conditions and remuneration of the President and CEO's employment relationship.

## President and CEO and the Leadership Team in 2021

On December 31, 2021, Posti President and CEO and the Posti Leadership Team was composed of, as follows:



**Turkka Kuusisto**

President & CEO  
b. 1979, M.Sc. (Tech.)

Joined Posti in 2016  
Member of the Posti Group  
Leadership team since 2016

### Employment history:

- Posti Group Corporation (since 2020): President and CEO
- Posti Group Corporation (2019–2020): Interim President and CEO
- Posti Group Corporation (2019): Senior Vice President, Parcel & eCommerce
- Posti Group Corporation (2016–2018): Senior Vice President, Postal Services
- Lindorff Group AB (2015–2016): Executive Vice President, Head of Debt Collection & Regional Managing Director
- Lindorff Group AB (2008–2015): several managerial duties, including the Managing Director of Lindorff in Finland and Head of business operations in Russia and the Baltics
- Kronstöm Oy Ma-Kron (2004–2008): Managing Director
- Accenture (2003–2004): Management Consultant
- Bonito Oy (2003): Management Consultant

### Board memberships:

- Board Member: Service Sector Employers PALTA, East Office of Finnish Industries
- Supervisory Board Member: LocalTapiola General Mutual Insurance Company, Ilmarinen Mutual Pension Insurance Company



**Yrjö Eskola**

Senior Vice President, Postal Services  
b. 1972, M.Sc. (IEM)

Joined Posti in 2013  
Member of the Posti Group  
Leadership team since 2015

### Employment history:

- Posti Group Corporation (since 2019): Senior Vice President, Postal Services
- Posti Group Corporation (2015–2018): Senior Vice President, Operations
- Itella Corporation (2014–2015): Vice President, Logistics Development (Itella Logistics)
- Itella Corporation (2013–2014): Director, Strategic Development Programs
- Nokia Corporation (2008–2012): General Manager, Nokia Komárom Ltd. Hungary
- Nokia Corporation (2007–2008): Director, Supply Management
- Nokia Corporation (2004–2007): Director, Logistics EMEA
- Nokia Corporation (1997–2004): various management positions in EMEA Logistics and Sourcing&Procurement organizations



**Arttu Hollmérus**

Senior Vice President, Parcel and eCommerce  
b. 1984, M.Sc. (Econ.)

Joined Posti in 2019  
Member of the Posti Group  
Leadership team since 2020

### Employment history:

- Posti Group Corporation (since 2020): Senior Vice President, Parcel and eCommerce business unit
- Posti Group Corporation (2019–2020): Vice President, Large Domestic Customers, Parcel & eCommerce
- Lowell (2017–2019): Director, Commercial Services Nordics 2018–2019; Director, Value Added Services & Digitalization Nordics 2017–2018
- Intrum (2017): Director, Group Clients & Sales
- Lindorff Group (2007–2017): several positions





### **Timo Karppinen**

CFO  
b. 1964, M. SSc.

Joined Posti in 2021  
Member of the Posti Group  
Leadership team since 2021

#### **Employment history:**

- Posti Group Corporation (since 2021): CFO
- DNA Plc (2012–2021): CFO
- Ponsse Plc (2010–2012): Executive Director, Corporate Planning and Strategy
- Nokia North America (2008–2010): CFO
- Nokia Asia-Pacific (2006–2008): CFO
- Nokia China (2000–2006): CFO

#### **Board memberships:**

- Board Member: IPK Hockey Oy, Kielikone Oy



### **Sakari Kiiskinen**

Senior Vice President, Transval  
b. 1973, Studies in Food Sciences  
(Food economics, major marketing)

Joined Posti in 2019  
Member of the Posti Group  
Leadership team since 2020

#### **Employment history:**

- Posti Group Corporation (since 2020): Senior Vice President, Transval
- Posti Group Corporation (2019–2020): Head of Transval (interim) 5–8/2020; Director, Head of People Solutions Business Unit, Transval
- Suomen Transval Group Oy (2010–2019): Deputy Managing Director 2017–2019; several management positions between 2010–2017
- Suomen Transval Oy (1999–2010): several positions



### **Timo Koskinen**

Senior Vice President, Human Resources  
b. 1968, Master of Laws (LL.M.) with court training

Joined Posti in 2021  
Member of the Posti Group  
Leadership team since 2021

#### **Employment history:**

- Posti Group Corporation (since 2021): Senior Vice President, Human Resources
- VR Group Ltd (2009–2021): Senior Vice President, Human Resources
- VR Group Ltd and VR Ltd (2004–2009): HR Director
- Elisa Ltd (2000–2004): Lawyer
- Finnet Association (1998–2000): Lawyer
- Backström & co, attorneys at law (1997–2000): Lawyer
- The Chemical Industry Federation of Finland (1995–1997): Legal Advisor

#### **Board memberships:**

- Board Member: Aallon Group Ltd



### **Petteri Naulapää**

Senior Vice President, ICT and Digitalization  
b. 1968, M.Sc. (Tech.)

Joined Posti in 2018  
Member of the Posti Group  
Leadership team since 2018

#### **Employment history:**

- Posti Group Corporation (since 2018): Senior Vice President, ICT and Digitalization
- Stockmann plc (2015–2018): CIO
- Vaisala Corporation (2010–2015): CIO
- Digia Plc (2006–2010): Director, Dynamics AX solutions





### Anna Salmi

Senior Vice President, Brand, Communications and Sustainability  
b. 1979, M.Sc. (Econ.)

Joined Posti in 2021  
Member of the Posti Group Leadership team since 2021

#### Employment history:

- Posti Group Corporation (since 2021): Senior Vice President, Brand, Communications and Sustainability
- Stockmann plc (2019–2020): Chief Digital Officer (CDO)
- Stockmann plc (2016–2019): Chief Customer Officer (CCO)
- Stockmann plc (2015–2016): Director Digital Retail
- Aurinkomatkat Oy (2014–2015): Head of Business
- Aurinkomatkat Oy (2011–2014): Head of Sales & Marketing
- Finnair Plc (2010–2011): Director, Digital Marketing
- Finnair Plc (2009–2010): Director, Internet Sales & Loyalty Marketing
- Finnair Plc (2008–2009): Commercial Manager
- Finnair Plc (2007–2008): Sales Manager, Digital Sales
- Ebookers Finland Oy (2004–2007): Marketing Manager

#### Board memberships:

- Board Member: Realia Group Oy



### Kaarina Ståhlberg

Senior Vice President, General Counsel and M&A  
b. 1966, Master of Laws (LL.M.) (Columbia University)

Joined Posti in 2016  
Member of the Posti Group Leadership team since 2017

#### Employment history:

- Posti Group Corporation (since 2016): Vice President, Legal; Senior Vice President, Legal and M&A (since 2017)
- Kaarina Ståhlberg Law Consulting (2014–2016): Legal advisor, independent professional
- Fortum Corporation (2013–2014): General Counsel
- White & Case (2012–2013): Counsel
- Nokia Corporation (2005–2012): Vice President, Assistant General Counsel
- Nokia Corporation (2004–2005): Vice President, Mobile Phones Legal
- Nokia Corporation (1999–2003): various legal and managerial duties
- Law Office Dittmar & Indrenius (1993–1998): Attorney-at-law
- Law Office Heikki Haapaniemi (1992–1993): Attorney-at-law

#### Board memberships:

- Member of the Board and Chair of the Audit Committee: Vaisala Corporation



### Per Zandrén

CEO, Aditro Logistics  
b. 1975, M.Sc. (Tech)

Joined Posti in 2020  
Member of the Posti Group Leadership team since 2021

#### Employment history:

- Aditro Logistics (since 2021): CEO
- Aditro Logistics (2021): Interim CEO
- Aditro Logistics (2020–2021): COO
- Transdev Sverige AB (2019–2020): Director; Business Division; Director, Region South
- DHL Supply Chain (DSC) (2006–2018): Managing Director, DSC Norway & Sweden North (2017–2018); Business Director, DSC Sweden North (2009–2017); Director Supply Chain Services, Nordic & Baltics (2006–2009)
- Exel Logistics Management (2004–2006): Site manager; Business Development manager Swedish Trade Council, Germany (2001–2004): Consultant

### Posti Leadership Team included also the following members during 2021:

- Tom Jansson, M.Sc. (Econ.) and Leadership Team member since 2018, served as CFO until January 21, 2021.
- Hanna Reijonen, M.Sc. (Econ) Senior Vice President, Human Resource and Leadership Team member since 2018, served as SVP HR until March 12, 2021.
- Johannes Gussander, Leadership Team member since 2020, served as CEO of Aditro Logistics until August 8, 2021.
- Jussi Kuutsa, M.Sc. (Econ.) and Leadership Team member since 2017, served as CEO of Itella Russia until December 6, 2021

# Remuneration

## The Leadership Team

Posti's Leadership Team assists the President and CEO in the Group's operative management. It also prepares and considers matters for consideration of the Board of Directors. The most essential matters considered in the Leadership Team are the Group's strategy and annual planning, business and sales planning and follow-up, business acquisitions and other business-related investments.

The Leadership Team is chaired by the President and CEO. The Leadership Team includes the following senior executives: Chief Financial Officer (1), Head of Business Groups (4), Head of key supporting functions (ICT and Digitalization, HR, Legal and M&A, added with Brand, Communications and Sustainability) (4).

Chief Financial Officer (CFO) is responsible for managing Posti's finances and control systems, including group accounting and financial statements, as well as treasury, taxation, procurement, group-wide strategy and risk management processes. Heads of the Business Groups are responsible for the leadership, sales, profitability, operations and business development in their respective Business Group. Heads of key supporting functions are respectively responsible for accelerating

Posti's digital transformation and managing ICT resources effectively; for setting a Posti-wide people strategy, related initiatives and people processes; for the legal matters and M&A transactions groupwide; as well as for brand, communications and sustainability support when implementing Posti's strategy.

The Annual General Meeting decides on remuneration and their criteria for members of the Supervisory Board as well as members of the Board of Directors and its Committees. The Board of Directors is responsible for deciding the remuneration of the President and CEO. Remuneration of the Posti Leadership Team members may be approved by the Personnel Committee Chair upon the Board authorization. The President and CEO's benefits are described on Posti's [website](#).

The Remuneration report for 2021 is published as a separate report released in connection with the Financial Statements, in line with the Finnish Corporate Governance Code 2020, and is available on Posti's [website](#).

# Other Corporate Governance

## Related Party Transactions and related governance

Posti has group-wide procedures in place to assess potential conflicts of interest, and to ensure that any transactions with related parties can be considered as ordinary course of business, executed at arm's-length principles. Posti maintains continuously a record of its related parties. The Audit Committee reviews and approves agreements between Posti and its related parties, to ensure that they meet the agreed objectives. Further information is disclosed in the notes to the Financial Statements.

## Internal control

Internal control is part of Posti's corporate governance, and it is integrated into the company's day-to-day operations. The main objectives of internal control are to ensure compliance with laws and regulations of each country of operation, and to secure reliable and timely financial reporting. In addition, internal control intends to ensure that company processes are run efficiently, and that the assets are optimized and safeguarded.

The internal controls in Posti Group are based on the Committee of Sponsoring Organizations ("COSO") internal control framework. COSO framework includes the following components:

### 1. Control environment

Posti Board of Directors establishes governance structures, authorities and responsibilities which facilitate implementation of the Group's objectives. The Group's operating guidelines establish the tone of internal control: what is expected, and which procedures are to be followed to implement policies in practice.

### 2. Risk assessment

Internal controls are defined based on risk identification and assessment. The risk identification and assessment are performed systematically in accordance with the Posti Group Risk Management Policy. The risks include strategic, operational, financial as well as compliance and environmental risks. Assessment of fraud risk is also part of this process.

### 3. Control activities

Control activities are based on documented process descriptions, and key process risks. Control activities are performed at all levels of the organization. Activities include (among others) verifications, approvals, performance reviews, segregation of duties, controls on IT systems and access rights, and physical counts of assets. Some of the control activities are carried out automatically by the IT systems.

### 4. Monitoring

Daily monitoring of control activities is part

of the management's activities and reviews. Internal audit provides assessments of effectiveness of the internal control system within the Group according to its risk-based annual audit plan. The effectiveness of financial reporting controls is reviewed by the external auditor.

### 5. Information and communication

Internal control objectives and responsibilities are communicated to the personnel in charge of the control activities. Part of the communication is also trainings provided to employees who develop and monitor internal controls or carry out control activities as part of their work. Internal control status, and any control defects identified, are regularly reported to the management by the team responsible for the internal control coordination. The CFO and the Group internal audit report regularly on the state and efficiency of internal audit to the Audit Committee.

Posti Group CEO is responsible for the establishment of an internal control system within the Group. Heads of the Business Groups and Group Functions are responsible for organizing proper internal control within their area of responsibility.

The operational managers within the organization act as the "first line of defense" in

managing process risks and ensuring the control activities are performed. The first line is supported by internal monitoring and oversight functions (such as financial control, risk management, compliance and legal), which form the "second line of defense". As the "third line of defense", internal audit provides objective assessment of the effectiveness of the internal control system.

## Risk management

The Group's risk management is based on COSO ERM framework, covers all Group operations and is an integral part of Posti's strategy and planning processes and other processes. Risk identification, analysis and planning of treatment activities are carried out continuously as part of planning processes and decision-making. The Group's risks are assessed using probability and impact. Regular risk reviews are carried out in order to ensure the appropriateness and continuous development of risk management.

Heads of the Business Groups and Heads of Group Functions are responsible for identifying key risks and implementing sufficient controls. Each employee is also responsible for reporting identified risks to his/her superior or other line



management. There are specific instructions on reporting risks endangering safety, security, Posti's business or customer relations or compliance issues.

The Board of Directors reviews Posti Group's key risks, the risk management system as well as Posti's level of risk appetite at least once a year. The Audit Committee is responsible for monitoring and evaluating the adequateness and efficiency of Posti's risk management process as well as internal control systems, and for assessing Posti Group's key risks in connection with the financial reporting. The Chief Executive Officer (CEO) and Group Chief Financial Officer (CFO) ensure that the principles and processes of Risk Management are embedded in Posti's management system and control and reporting processes.

### **Internal audit**

The Group's internal audit produces independent assessment, assurance and consultation services, which are used to analyze the Group's business functions and their processes and the efficiency of management, risk management, supervision, reporting and administration. Its goal is to help identify development targets through which the efficiency, predictability, productivity and compliance of business can be improved. Internal audit supports the Board of Directors and Group management in their supervisory duty. The Internal Audit unit reported administratively to the Chief Financial Officer until the end of year 2021 and as of 2022 to the

President and CEO and functionally continues to report to the Audit Committee. The unit's own resources and external resources are used in the execution of the audits.

### **Auditor**

The authorized public accountancy firm PricewaterhouseCoopers Oy was re-elected at the Annual General Meeting 2021 as Posti's auditor until the next Annual General Meeting, with Authorized Public Accountant, M.Sc. (Econ.), Mikko Nieminen as the principal auditor.

The auditor was remunerated for audit services during 2021 with EUR 528,312. In addition, non-audit services were purchased in 2021 with EUR 181,377 from the auditor.



[www.posti.com/en/governance](http://www.posti.com/en/governance)